

Assets for Arkansans
Individual Development Account Program

Permissible Uses of Matched Funds

What can I use my matched IDA funds for?

Although you were required to choose a savings goal at enrollment (first-time home purchase, post-secondary, home repair, education or business start-up or expansion expenses) you may change your goal at any time before the purchase is made. However, once you have made a withdrawal for your specific goal, you cannot change the asset thereafter. If you switch goals, we ask that you notify us so that you receive the education necessary to successfully reach your goal.

Post-Secondary Educational Expenses

- Current tuition and fees required for the pre-payment, enrollment or attendance of the IDA participant at an eligible educational institution*
- Fees, books, supplies, and/or equipment required (as written in a course syllabus) for courses of instruction at an eligible educational institution
- Job related certifications or tests.

*Eligible Educational Institution: institution of higher education or post secondary vocational education school. Your IDA funds may *not* be used towards paying back student loans, or for your child's educational expenses.

Home Purchase

- The down-payment and closing costs associated with the purchase of a home that will be used as a primary residence for a qualified first-time homebuyer
- Qualified First Time Homebuyer: An individual (and, if married, the spouse) who has never been a homeowner or who has not been a homeowner in the past *three years*
- IDA funds may not be used towards the purchase of a manufactured, trailer or mobile home
- You may use your IDA funds with other down payment assistance programs, for example, Arkansas Development Finance Authority ADDI program
- The funds will be paid directly to your title company at closing

Home Repair

- Must obtain at least three contractor quotes
- If repairs exceed matched and personal funds, must demonstrate that money has been secured to complete the repairs
- Repairs must be those that will stay with the home (i.e. roof repair, flooring, carpet replacement)

Small Business Start Up or Expansion

- Expenses related to small-business start up or expansion of which you are the primary owner
- Qualified expenses include equipment and inventory expenses as described in your business plan
- Participants must start a qualified business, one that does not contravene any law or public policy

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